

# VILLAGE OF SARANAC THIRD PARTY ADMINISTRATOR REQUEST FOR PROPOSALS

<b>DATE OF RELEASE:</b>	MARCH 24, 2026
<b>BID DUE DATE:</b>	APRIL 14, 2026
<b>BID AWARD DATE:</b>	Dependent on MSHDA Approval
<b>BID DELIVERY OPTIONS:</b>	<u>Deliver to:</u> 27 N Bridge St, Saranac, MI 48881 <u>Mail to:</u> Village of Saranac, Attn: Becky Straubel, PO Box 312, Saranac, MI 48881 <u>Email to:</u> <a href="mailto:saranacoffice@gmail.com">saranacoffice@gmail.com</a>
<b>CONTACT:</b>	Becky Straubel, Village Treasurer (616) 642-6324, <a href="mailto:saranacoffice@gmail.com">saranacoffice@gmail.com</a>

The Village of Saranac is seeking proposals from Third Party Administrators (TPA's) for management, environmental review, and administrative services required for implementation of a Community Development Block Grant (CDBG) funded through the Michigan State Housing Development Authority (MSHDA). The project consists of the rehabilitation of approximately **forty-nine (49) homes**, with a projected average budget per home of \$25,000.

## PROJECT SUMMARY

MSHDA's CDBG funds are awarded to municipalities to support a range of housing related activities, classified as Reconstruction, Homeowner Rehabilitation, Infrastructure, Rental Rehabilitation, and Manufactured Housing. The Village of Saranac will utilize CDBG funds for activities classified under "**Homeowner Rehabilitation.**" These activities are meant to preserve affordable owner-occupied housing units through offering low-and-moderate-income homeowners, those making less than 80% of the area median income (AMI), grant funds to address health and safety concerns and maintenance issues. Eligible project costs are the actual costs of rehabilitating housing and soft costs, including but not limited to interior and exterior improvements to meet code requirements, roof repair or replacement, siding, plumbing, electrical, mechanical, and insulation.

This program will assist the Village of Saranac in meeting the needs of its low-to-moderate-income (LMI) residents, by providing eligible home owners with necessary funds to address health and safety issues within their homes.

One goal identified in the Village of Saranac Master Plan, is to "Facilitate the upgrade of existing housing stock by encouraging rehabilitation and conservation." The Master Plan also talks about existing development; "Since much of the Village is already developed, ensuring that existing homes and businesses are not adversely affected, or recognizing where or when redevelopment is a more positive alternative, are both critical factors to consider." Comments expressed at a public meeting during development of the Master Plan, were as follows; "Provide incentive, foster, look for ways to make appealing, the idea that current and future home owners should invest in and expand the Village's current compact housing stock and neighborhood character, versus a transition to new suburban development on the outskirts of the Village, at the expense of the current housing and neighborhoods.

The Village is actively promoting housing diversity, through the development of a vacant school building into apartments and mixed-use features. Diversity is critical in meeting the needs of smaller households and low-income renters seeking affordable housing opportunities. Additionally, senior citizens who represent a growing portion of the Village population, require accessible housing options. These needs are compounded by limited available rental units and few housing options tailored to seniors on fixed incomes.

The Village's existing housing inventory consists of aging structures whose occupants are challenged by affordability constraints. These challenges impact LMI households, seniors, single-family and younger families forming new households.

In 2026, the Village of Saranac will begin accepting applications for homeowners to participate in the housing rehabilitation program.

Preliminary research of property owners within the Village limits has confirmed that many will meet the Low-to-Moderate income requirements and owner-occupancy for the CDBG program. There are single-family properties where this funding will be targeted, though all qualified applications will be accepted. While estimates have not been completed, the Village's rough approximation is that homes will require on average \$25,000 in repairs. Project costs will not exceed \$25,000 per home.

It is possible that the demand for these resources will outweigh the grant funds received. Funds will be prioritized based on the relative need of the qualified property owners, application timing, and project feasibility which will be determined through the income verification, timestamp review, and project specifications.

The Village of Saranac will be responsible for selecting project sites. With the assistance of the TPA, village staff will complete the screening for eligibility with the MSHDA program guidelines and develop the appropriate scopes of work. The primary roles of the selected TPA will include oversight of Financial Management and record keeping, National Objective Compliance, Environmental Review, Contractor Procurement, Monitoring and Closeout, and other general tasks. While it is expected that Village staff will complete the required documentation and management tasks, the TPA will be essential in providing oversight to the program, ensuring CDBG compliance requirements, and supporting appropriate and sufficient record keeping.

## **FORM OF CONTRACT**

The Village of Saranac will award a "not to exceed" with hourly rates contract subject to approval by and funding from MSHDA. CDBG funds can be utilized for the payment of overall program administration costs associated with the funded CDBG project.

The total budget for the Homeowner Rehab project is \$1,500,000, which will cover both rehabilitation activity costs and administrative costs. Of this total, 18% (\$270,000) is limited to administrative costs which will be shared between the Village of Saranac staff and the TPA for grant administration and environmental review.

## **PART ONE: SCOPE**

The scope of work the consultant must be prepared and qualified to provide is as follows:

**1. General Tasks**

- a. Review project files in the Village of Saranac's office or digitally so that file sharing can easily occur between the Village and MSHDA. These files must demonstrate compliance with applicable and federal regulations and CDBG guidelines. The project files must be monitored throughout the program to ensure they are complete, and all necessary documentation is being retained in the Village's files.
- b. Advise Village on format and content of Progress Reports.
- c. Assist in the preparation of Environmental Review documents and/or administrative paperwork to SHPO.
- d. Assist in the preparation of Program Guidelines.
- e. Other general tasks as related to program compliance.

**2. Financial Management**

- a. Assist in preparation of Payment Requests at least quarterly in accordance with CDBG's financial management procedures.
- b. Advise Village on any procedural steps or financial tracking that may be required by MSHDA in addition to their established account procedures.
- c. Make progress inspections and confirm local match documentation each time a payment request is issued.
- d. Review any Change Orders submitted by the Village.
- e. Assist Village with grant related submissions to MSHDA.
- f. Provide support documentation for Disbursement Requests.
- g. Assist the Village with mortgage/lien documents for sites exceeding \$10,000 in project costs.

**3. National Objective Compliance, Surveys, and Income Verification**

- a. Assist with Compliance, and Household Income Verification Reports and packet submission.

**4. Environmental Review**

- a. \*Complete Environmental Review Procedures for CEST Tiered Reviews (Tiers I & II) subject to the National Environmental Policy Act (NEPA) Standards.
- b. Assist the Village with maintaining the Environmental Review documentation and any SHPO (if applicable) documentation.
- c. Assist the Village in providing documentation to its CDBG Program Specialist for environmental release of funds for the awarded project.
- d. If the Scope changes for a project, assist the Village in creating Environmental Review Amendment materials for review by its CDBG Specialist.
- e. Assist with documentation and activity requirements associated with hazards like asbestos, lead, and radon. **(As the projects will be capped at \$25,000, lead will be presumed for pre-1978 homes; we do not plan to conduct Lead Assessments.)**

**\*Important:**

The Village will complete Environmental Review for the CDBG project in a CEST Tiered format. Tier I will be completed first and will include a broad-level review of the entire project area (the Village of Saranac village limits). Tier I deals with the grant's overall broad target area and Tier II is a site-specific review completed on each individual property as it is identified after publication and prior to commitment of funds to the project site.

The extent of Tier II reviews will be partly dependent on the findings of the Tier I review. The TPA in their proposal will treat Tier II reviews as included in the Environmental Review task to complete **forty-nine (49) total reviews**, though this total will be contingent on the findings of the Tier I review and if any Tier II reviews result in a walk-away determination from the Village. The TPA will be asked to provide a per-unit figure for Tier II reviews.

**In summary, the TPA should include in their proposal considerations for:**

- a. One (1) Tier I Review
- b. Forty-nine (49) Tier II Reviews
  1. The TPA will be asked to specify a per-review value. The Village will initially contract with the TPA for forty-nine (49) Tier II reviews. If more reviews are needed, the Village will pay the per-unit rate per additional review.

Please see **PART FOUR: GUIDANCE FOR PROPOSAL SUBMISSION** for details on how to include this in the proposal.

#### **5. Contractor Procurement**

- a. Provide required procurement reports and assist the Village in obtaining approvals from MSHDA as appropriate. Procurement will include that for both contractor selection for construction activities (including development of a contractor list) and possibly environmental review consultation (for instance, radon and asbestos).
- b. Collect and file necessary procurement records including selection process, advertisements, reasons for selections, and documentation/methodology for bid review and contractor selection.
- c. Collect and file agreements between Homeowners and the Selected Contractors, including verification of required insurance and licensing documentation related to the selected contractors.
- d. Confirm contractor clearances, specifically applicable lead and asbestos clearances.
- e. Provide SAM and HUD Limited Deniability Checks related to selected contractors.

#### **6. Construction Management**

- a. Assist Village staff in preparation of cost estimates and bid document preparation to ensure bid specification documentation is consistent with state and federal regulations and CDBG guidelines.
- b. Gather necessary before-photos for each project site and perform initial inspections.
- c. Review Proceed to Work Order(s) and assist Village with submitting this to MSHDA.
- d. Review Contractor Payment Application materials and verify that sufficient documentation is included for submittal to MSHDA for reimbursement, including Homeowner Approval.
- e. File any inspection reports related to the project.
- f. Assist the Village staff with completing final inspections.

#### **7. Monitoring and Close Out**

- a. Attend and assist Village during the MSHDA's monitoring visit(s) [if any].
- b. Assist with close-out documentation including after-photos, project summaries, satisfaction surveys, etc.

## **PART TWO: PROPOSALS**

To be considered, proposals must be received by the Village of Saranac prior to 4 P.M. Eastern Standard Time on April 14, 2024. The Village of Saranac reserves the right to reject any or all proposals. The bid award is contingent upon approval from MSHDA.

Questions concerning this request should be addressed to **Becky Straubel, Village Treasurer** at [saranacoffice@gmail.com](mailto:saranacoffice@gmail.com) or **(616) 642-6324**.

Proposals can be delivered to: **Becky Straubel, Village Treasurer**  
With a subject line or label saying: **MSHDA Third Party Administrator Proposal**

Deliver in person at: **Saranac Village Office, 27 N Bridge St, Saranac, MI 48881**  
Or by mail to: **Village of Saranac, Attn: Becky Straubel, Village Treasurer,  
PO Box 312, Saranac, MI 48881**  
Or by email to: **saranacoffice@gmail.com**

**The proposal must include:**

1. The total number of hours anticipated for each task (based on scope provided).
2. An hourly rate, including fringe benefits, travel, and material costs, if applicable.
3. Proposed total "not to exceed" with hourly rates fee.
  - a. Additional specified fee for Tier II Environmental Reviews over forty-nine (49).
4. A brief history of the firm and qualifications of each person in the firm who will be assigned to the project.
5. A brief history of the firm's NEPA Environmental Review Experience and current staff capacity to complete CEST Tier I and Tier II reviews.
6. Three (3) references including contact information for the point of contact, for which the firm has been under contract with for CDBG administration during the last three calendar years and the type of CDBG project under contract.

Please see **PART FOUR: GUIDANCE FOR PROPOSAL SUBMISSION** for details.

The responsible TPA whose proposal will be most advantageous to the Village will be selected. The Village acknowledges that the services outlined in the scope of work may require the TPA to subcontract certain tasks, like environmental review. Proposals should reflect pricing and hourly estimates for the *entire* scope of work. If subcontractors are known, the TPA should include the name(s) of the business(es) in the proposal.

**PART THREE: SELECTION CRITERIA**

All responses will be evaluated according to the following criteria and corresponding point system. Proposals will be evaluated based on the submitted materials. Sufficient information must be included in the proposal to ensure the correct number of points is assigned. Incomplete or incorrect information may result in a lower score.

100 points is the total possible points, which will be allocated according to the following scoring system:

**REQUIRED CONSIDERATION**

Quoted "not to exceed" with hourly rates fee (Cost):	<b>20 points</b>
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The Village must consider cost of the proposal as part of its selection criteria.

*Example:*

20% (20 points) of total possible points are for price consideration.

Proposal 1 is for \$ 15,000

Proposal 2 is for \$ 14,000

Proposal 3 is for \$ 16,000

Step 1: Determine points allocated for price (100 x 20% = 20 points)

Step 2: Award maximum points to the lowest priced proposal

(Proposal 2 is awarded 20 points)

Step 3: Allocate a proportionally reduced number of points to the higher proposals

Proposal 1  $\frac{14,000}{15,000} \times 20 = 18.6$  points      Proposal 1  $\frac{14,000}{16,000} \times 20 = 17.40$  points

Qualifications of the firm and individual(s) assigned to work on the project:	<b>30 points</b>
Demonstrated availability and capacity to support the project:	<b>30 points</b>
Firm's proximity to project site:	<b>20 points</b>
<b>TOTAL POINTS</b>	<b>100 Points</b>

## PART FOUR: GUIDANCE FOR PROPOSAL SUBMISSION

When outlining your proposal, please see the following format for guidance on how to break out the per-unit rate for Tier II Environmental Reviews.

### ABC COMPANY PROPOSAL SUMMARY

Based on the scope of work outlined in the Request for Proposals, ABC Company expects the following hours will be required to complete the specified services. Provided is a breakdown for ABC Company's anticipated hours for each service and corresponding rate:

1. General Tasks	Anticipated Hours: 20 hours
2. Financial Management	Anticipated Hours: 15 hours
3. National Objective Compliance	Anticipated Hours: 10 hours
4. Environmental Review (including forty-nine (49) Tier II reviews)	Anticipated Hours: 40 hours
5. Contractor Procurement	Anticipated Hours: 30 hours
6. Construction Management	Anticipated Hours: 20 hours
7. Monitoring and Closeout	Anticipated Hours: 10 hours

<b>Total Anticipated Hours</b>	<b>145 hours</b>
<b>(MULTIPLY)</b>	<b>x</b>
<b>Rate per hour (include salary, fringe, travel, materials)</b>	<b>\$5.00</b>
<b>TOTAL "NOT TO EXCEED" WITH HOURLY RATES FEE</b>	<b>\$725</b>

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**ADDITIONALLY: ABC COMPANY SPECIFIES THE FOLLOWING RATE:**

<b>Environmental Tier II Review Rate (Rate per review)</b>	<b>\$10</b>
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